(c) if so, the details of progress made in this regard so far?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH): (a) to (c) In the aftermath of the revised Exim Policy, the Reserve Bank of India in its Monetary and Credit Policy on 19.4.2001 revised the export loan rates *w.e.f.* 5.5.2001. The interest rate on rupee credits upto 180 days has been lowered from 10% to a cap of Prime Lending Rate (PLR) minus 1.5% while on foreign currency credits it has been brought down from 1.5% over LIBOR to "not exceeding 1% over LIBOR".

Indo-China joint ventures

2446. PROF. (SHRIMATI) BHARATI RAY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that several areas have been identified where Indian companies can forge joint ventures and tap Chinese technology on reciprocal basis;

(b) if so, the details about the identified areas; and

(c) to what extent the trade between the two countries is expected to increase?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) Yes.

(b) Some of the identified areas are pharmaceuticals, chemicals and bulk drugs, graphite electrodes, refractories, building material, power equipment, mini hydel power, textiles and apparels.

(c) Trade between two countries has been growing at an average rate of 45% over the past 2-3 years. Trade has grown 44.1% in the first 6 months of 2001. This trend is expected to continue.

MFN status to India

2447. SHRI K.M. SAIFULLAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a meeting of the India-Pakistan Chambers of Commerce was held in Lahore (Pakistan) on 22nd May, 2001;

(b) if so, the subject discussed in the meeting;

(c) whether Pakistan has agreed to accord most favoured nation status to India; and

(d) if so, the benefits that will flow to India by this status?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH): (a) Yes, Sir, The second meeting of India-Pakistan Chambers of Commerce & Industry was held in Pakistan on May 22, 2001.

(b) The subjects discussed at the meeting included the potential for enhancing bilateral trade including the channelisation of unofficial trade and promotion of bilateral joint ventures.

(c) No, Sir.

(d) Does not arise.

Impact of devaluation of rupee on import and export

†2448. SHRI JANESHWAR MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the impact of constant devaluation of rupee on import and export of the country;

(b) whether it is a fact that the Indian Industry have collapsed due to devaluation of rupee; and

(c) the steps taken by Government to keep the trade and industry unaffected as far as possible from this fluctuation in the value of rupee?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH): (a) to (c) While depreciation is considered to help exports and make imports costlier, imports and exports are affected by a number of factors like growth in world trade, growth in demand for our exports, domestic need for imports, Government policies etc. However, depreciation has to be viewed in relation to issues like depreciation by competitors, extent of overvaluaiton of domestic currency, impact on international debt and foreign investment, extent of domestic inflation etc. In India, exports have performed well during 2000-01 with a growth of 19.83% as against an export target of 18%. Export Promotion being a constant endeavor of the Government, a number of

†Original notice of the question was received in Hindi.